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April 27, 2012

VIA ELECTRONIC FILING

Jocelyn Boyd, Chief Clerk/Administrator
Public Service Commission of South Carolina
Post Office Drawer 11649
Columbia, South Carolina 29211

**Re: Office of Regulatory Staff Petition to Review FCC Mandated Reductions to
Intrastate Access Tariffs
Docket No. 2012-136-C**

Dear Jocelyn:

Enclosed for filing is the Petition of the South Carolina Cable Television Association to Intervene and to Address the Impact of the FCC Order on the South Carolina Interim LEC Fund in the above referenced docket. By copy of this letter, we are serving the parties of record in this docket. Should you have any questions, please contact me.

Yours truly,

ROBINSON, MCFADDEN & MOORE, P.C.

Frank R. Ellerbe, III

FRE/tch
Enclosure

cc/enc: Nanette S. Edwards, ORS Attorney (via email & U.S. Mail)
John J. Pringle, Esquire (via email & U.S. Mail)

**BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA**

DOCKET NO. 2012-136-C

IN RE:)	
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)	
OFFICE OF REGULATORY STAFF)	Petition of the
PETITION TO REVIEW FCC)	South Carolina Cable Television
MANDATED REDUCTIONS TO)	Association to Intervene and to Address
INTRASTATE ACCESS TARIFFS)	the Impact of the FCC Order on the
)	South Carolina Interim LEC Fund
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The South Carolina Cable Television Association (“SCCTA”) hereby petitions the Public Service Commission of South Carolina (“Commission”) pursuant to 26 S.C. Regs. 103-825 and other applicable rules and regulations of the Commission for permission to intervene in the above-referenced docket. The SCCTA also requests that the Commission address the impact of the Federal Communications Commission’s (“FCC”) ICC Reform Order¹ on the South Carolina Interim LEC Fund (“ILF”) in this proceeding. In support of this petition the SCCTA would show the following:

PETITION TO INTERVENE

1. The SCCTA is a nonprofit corporation consisting of communications companies providing a variety of services in South Carolina including video, voice and broadband services.

¹ *In the Matter of Connect America Fund, A National Broadband Plan for Our Future, Establishing Just and Reasonable Rates for Local Exchange Carriers, High-Cost Universal Service Support, Developing an Unified Intercarrier Compensation Regime, Federal-State Joint Board on Universal Service, Lifeline and Link-Up, and Universal Service Reform-Mobility Fund*, WC Docket No. 10-90 et al., Report and Order and Further Notice of Proposed Rulemaking, FCC 11-161 (rel. November 18, 2011) (“ICC Reform Order”).

2. SCCTA's authorized representatives in this proceeding are

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3. The FCC's ICC Reform Order issued November 18, 2011, brought intrastate and interstate access charges under a single federal regime and changed the existing federal system of universal service support. The Order adopted comprehensive measures to reform intercarrier compensation ("ICC") and adopted mechanisms to replace interstate and intrastate access charge revenues lost as a result of its reforms.

4. The ICC Reform Order adopted a transitional intercarrier compensation restructuring framework for both intrastate and interstate telecommunications traffic. The ICC Reform Order also imposed certain deadlines for rate reductions. The South Carolina Office of Regulatory Staff ("ORS") initiated this proceeding by filing a petition seeking an order requiring all affected local exchange carriers to file proposed switched access tariff revisions with supporting documentation to comply with the FCC's mandate in the ICC Reform Order. The Commission established this proceeding to review the FCC mandated reductions to intrastate access tariffs resulting from the ICC Reform Order.

5. SCCTA has an interest in this proceeding since members of the SCCTA would be impacted by the implementation of the ICC Reform Order. The SCCTA's members also provide voice services that result in billings, either directly or indirectly through connecting carriers, for

payments to the ILF. Thus the members of the SCCTA help to fund the ILF and have an interest in the impact of the ICC Reform Order on the ILF. The SCCTA seeks to participate as a party in this proceeding to protect the interests of its members.

6. SCCTA's intervention will aid the Commission by assisting in the development of a full and fair record to address the issues raised in this proceeding. SCCTA's position in this docket is that the Commission should appropriately implement the provisions of the ICC Reform Order and should consider the impact of the Order on the ILF.

7. SCCTA is informed and believes that granting its request to be made a party of record in this docket is in the public interest, is consistent with the policies of the Commission in encouraging maximum public participation in issues before it, and should be allowed so that a full and complete record addressing the views and concerns of SCCTA can be developed.

8. As this Commission itself noted in late October, "the FCC is poised to consider comprehensive structural reform to the federal USF and Inter-carrier Compensation mechanisms...."² The ICC Reform Order does comprehensively reform inter-carrier compensation by establishing a national framework that includes the preemption of state commission authority over intrastate access charges. The FCC unifies interstate and intrastate access charges under Section 251(b)(5) of the Communications Act of 1934.³

9. The SCCTA petitions the Commission to consider the impact of the ICC Reform Order on the S.C. Interim LEC Fund for the reasons outlined below. The ILF was created to replace revenue lost when ILECs reduced their intrastate toll switched access rates to lower rates.

² *In re: Establishment of Interim Local Exchange Fund to Address Revenue Impact on Incumbent Local Exchange Carriers Electing to Reduce Toll Switched Access Rates*, Order Denying Petition for Reconsideration or Rehearing, Docket No. 1996-318-C, Order No. 2011-785, p. 2 (Oct. 26, 2011).

³ ICC Reform Order, ¶ 762-767. ["The duty to establish reciprocal compensation arrangements for the transport and termination of telecommunications." 47 U.S.C.A. § 251(b)(5)].

Thus the funds received by South Carolina ILECs from the ILF are access charge funds and are impacted by the ICC Reform Order.

10. The FCC created a federal access recovery mechanism that is to be the exclusive means of offsetting reductions to interstate and intrastate access rates. The federal mechanism displaces state-based recovery mechanisms such as the ILF. As a result, the Commission should implement a schedule to phase out the intrastate subsidy from the ILF to comply with the federal mandate.

11. In addition to mandating reductions to intrastate and interstate access rates, the ICC Reform Order creates a uniform federal recovery mechanism.⁴ The federal recovery mechanism permits carriers to recover losses of both interstate and intrastate revenue caused by the access rate reduction.⁵ Since the federal recovery mechanism will compensate carriers for losses to both interstate and intrastate access revenues, any state-based recovery program such as the ILF would be duplicative and no longer necessary.

12. It would be inconsistent with the ICC Reform Order to continue funding the ILF in light of the express determination that states should not manage their own recovery mechanisms. The FCC concluded that a uniform, national framework for the transition of intercarrier compensation to bill-and-keep with a federal recovery mechanism best advances the policy goals of accelerating the migration to all IP networks, facilitating IP-to-IP interconnection and promoting deployment of new broadband networks by providing certainty and predictability to carriers.⁶ The FCC specifically rejected a piecemeal approach that would have allowed states to pursue tailored intrastate access reforms. While the states do maintain the authority for

⁴ ICC Reform Order, ¶ 790 & 795.

⁵ ICC Reform Order, ¶ 850-853

⁶ ICC Reform Order, ¶ 790.

implementing the bill-and-keep methodology and for overseeing tariffing of intrastate rates during the transition period, with respect to the ultimate ICC framework and the transition, the FCC held that a uniform, national approach was required.⁷

For the reasons stated in this petition the SCCTA requests that it be made a formal party to this proceeding and that the Commission take appropriate steps to address the impact of the ICC Reform Order on the South Carolina Interim LEC Fund.

Dated this 27th day of April, 2012.

ROBINSON, MCFADDEN & MOORE, P.C.



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ATTORNEYS FOR SOUTH CAROLINA CABLE
TELEVISION ASSOCIATION

⁷ ICC Reform Order, ¶796.

BEFORE
THE PUBLIC SERVICE COMMISSION
OF SOUTH CAROLINA
DOCKET NO. 2012-136-C

IN RE:

Office of Regulatory Staff Petition to Review
FCC Mandated Reductions to Intrastate
Access Tariffs

CERTIFICATE OF SERVICE

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This is to certify that I, Toni C. Hawkins, a Paralegal with the law firm of Robinson, McFadden & Moore, P.C., have this day caused to be served upon the person(s) named below the **Petition of the South Carolina Cable Television Association to Intervene and to Address the Impact of the FCC Order on the South Carolina Interim LEC Fund** in the foregoing matter by placing a copy of same in the United States Mail, postage prepaid, in an envelope addressed as follows:

Nanette S. Edwards, Counsel
Office of Regulatory Staff
1401 Main Street, Suite 900
Columbia, SC 29201

John J. Pringle, Jr., Esquire
Ellis, Lawhorne & Sims, P.A.
Post Office Box 2285
Columbia, SC 29202

Dated at Columbia, South Carolina this 27th day of April, 2012.



Toni C. Hawkins